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NADA DATA FOR 1981

Economic Impact of America's New Car & Truck Dealers

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Introduction

As we move into 1981, franchised new car and truck dealers are relatively optimistic about the year ahead. The NADA Dealer Optimism Index, which measures dealer profit expectations for the next twelve months, now stands at 95, almost 30 points higher than a year ago. There are many sound reasons for such optimism. First, the Reagan administration is moving with dispatch to implement a new Program for Economic Recovery and pushing ahead with the reduction of regulatory burdens in general and those on the auto industry in particular. Second, car and truck manufacturers are turning out the most efficient vehicles ever produced. Third, the economy is beginning to pick up, and as it continues to do so, pent up demand for autos will vent itself. Finally, dealers are more optimistic simply because 1980 is behind them.

In 1980, new car and truck sales plummeted to their lowest level since 1961, and floor plan interest rates topped 20 percent in April and again in December. These and other factors caused more than 1600 net dealership closings. While 26,600 dealers were not financially squeezed to that extent, and are still in business today, they too suffered last year. The average dealer's total sales volume declined 4.1 percent, from $4,953,000 to $4,752,000. Most of this decline was concentrated in the new vehicle department, where sales were down 6.9 percent, while sales in the used vehicle department were down 1.4 percent, and service and parts sales were up 6.4 percent.

The average profit level before tax for franchised dealers fell to .6% of total dealership sales. The level was half the percentage profit of 1979 and substantially below the levels of the past ten years. The profits before local, state and federal taxes were 54% below 1979. The primary reason for this was high interest rates. The burden of financing inventories increased dramatically, from an average $175 per new vehicle retailed last year to $223 in 1980.

Despite his sales slump and financial squeeze, the average franchised new car and truck dealer still made significant contributions to his local economy in 1980. In addition to providing his community with $4,752,000 worth of sales of new and used vehicles as well as service and parts, he generated income in the community through the employment of 27 people, to whom he paid a total of $386,000 in wages and salaries. The average dealer put another $42,300 into the local economy through local advertising expenditures.

Even a brief glance at the tables and charts of this booklet will provide a further profile of the average franchised new car and truck dealer. It will also provide a better understanding of how his operation changed in 1980 as a result of the slump, as well as further indication of the importance of all franchised dealers to the health of America's economy. If you need additional or updated information, contact the Research Division at (703) 821-7295.

Frank E. McCarthy
Executive Vice President

Average Dealer Profile

The decade of the seventies saw a 12% decline in the number of franchised dealers, while per dealer unit sales increased more than 16%. This increased sales volume required the addition of only three new employees. Clearly, the average dealer in 1980 was significantly more productive than he was ten years ago. However, this increase in productively was not enough to offset the increased cost of operations. For example, total dealer floor-plan expense during 1980 was $2.1 billion compared to $394 million in 1970.

	1980	1970
Estimated number of franchised new car dealers (as of year end)	26,600	30,300
Estimated average net worth per dealer (year end)	$378,000	$188,000
Estimated total net worth of all dealers (year end)	$10.1 billion	$5.7 billion
Estimated average number of employees per dealer	27	24
Estimated total number of employees of all dealers	738,000	742,000
Estimated average annual payroll per dealer	$386,000	$180,000
Estimated total annual payroll of all dealers	$10.6 billion	$5.5 billion
Estimated average annual local advertising expenditures per dealer	$42,300	$14,100
Estimated total annual local advertising expenditures of all dealers	$1.2 billion	$431 million
Estimated total annual sales for all dealers	$130.3 billion	$51.8 billion
Estimated number of new cars sold per dealer in 1970	327	275
Estimated total annual sales per dealer	$4,752,000	$1,717,000
Estimated average annual floor-plan expense per dealer	$78,947	$13,046

Average Dealership net Profit Before Taxes

	As a Percent of Total Sales	DOLLAR AMOUNT In Current Dollars	In Constant 1967 Dollars
1967	1.8	$25,811	$25,811
1968	2.2	36,713	35,233
1969	1.9	33,926	30,898
1970	2.0	34,340	29,527
1971	2.5	54,256	44,729
1972	2.4	57,435	45,838
1973	2.3	63,932	48,033
1974	1.8	46,064	31,188
1975	1.9	54,336	33,707
1976	2.0	73,471	43,091
1977	2.0	82,234	45,308
1978	2.0	92,019	47,093
1979	1.3	62,407	28,706
1980	0.6	28,984	11,744

SOURCE: NADA Economic Analysis Department

NADA Optimism Index

Despite their dismal profit performance last year. dealers are relatively optimistic about the year ahead. For the past five and a half years, NADA's Economic Analysis Department has conducted a quarterly survey of the profit expectations of new car and truck dealers for the next twelve months. The survey results have closely matched dealers' actual profit expecrience and also serve as a barometer of national economic trends. The index now stands at 95, almost 30 points higher than a year ago.

Dealer optimism in 1980 was primarily a function of interest rates. The NADA Dealer Optimism Index was stable at the beginning of the year, but an increase in the prime interest rate during the first quarter to a record level of 20 percent caused the index to drop from 66 to 17, and caused more than 65 percent of the survey respondents to expect a decline in profits over the next twelve months.

Interest rates plummeted during the second quarter as a result of the Carter Administration's Credit Restraint Plan, which was implemented on March 14. The plan caused an immediate drop in new car sales, but dealers obviously placed greater emphasis on the long term benefits of lower interest rates and the optimism index rose from 17 to 74. Optimism continued to increase during the third quarter (the index rose from 74 to 98) as credit became more available, the administration announced an auto industry rescue package that included up to $400 million in guaranteed SBA loans, and dealers looked forward to new model introduction.

Interest rates also rose during the third quarter, however, and they continued to climb during the fourth quarter, with the prime hitting another record high, 21.5 percent, in December. Combined with a disappointing new model introduction, these record high interest rates caused a drop in dealer optimism. The fourth quarter drop in optimism was relatively small, however, because dealers were better able to deal with the higher interest rates than they were in the first quarter and because dealers were optimistic about the incoming Reagan administration's ability to solve such problems.

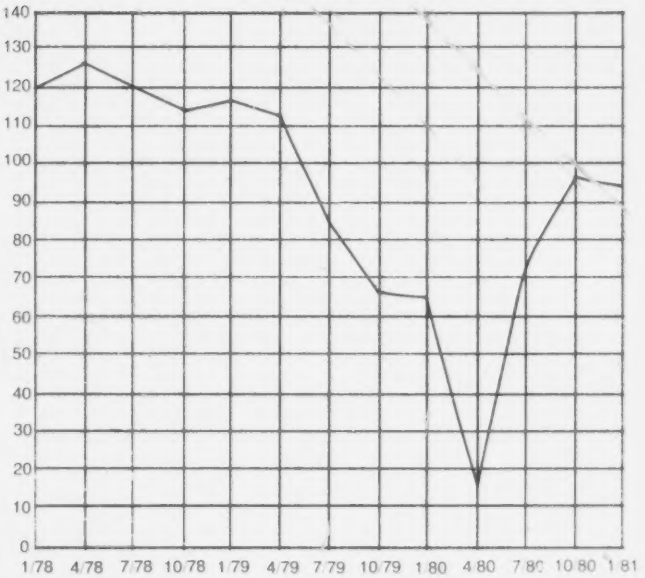
Expectations for Dealership Profits

Percent of Dealers Expecting Profits to:

	INCREASE	NO CHANGE	DECLINE	INDEX VALUE
1/77	45.6	45.7	8.6	143
4/77	47.0	43.8	9.2	146
7/77	34.6	54.1	11.2	126
10/77	31.1	53.5	15.4	117
1/78	32.5	51.9	15.6	120
4/78	35.4	51.2	13.4	126
7/78	31.9	53.6	14.5	121
10/78	27.7	56.1	16.2	114
1/79	30.2	52.3	17.5	116
4/79	29.1	50.5	20.4	112
7/79	13.6	36.3	50.1	86
10/79	16.9	42.4	40.7	67
1/80	17.9	40.5	41.6	66
4/80	9.2	25.4	65.3	17
7/80	23.0	40.0	37.1	74
10/80	26.5	43.3	30.3	98
1/81	25.5	48.4	26.1	95

Expectations for Dealership Profits

(7/75 = 100)



Number of Franchised New Car Dealerships

With new car and truck sales hitting their lowest level since 1961 and interest rates increasing to record highs, net dealership closings accelerated dramtically. There was a net loss of 1650 franchised dealerships in 1980. Since import vehicle sales hit an all time high in 1980, it is not surprizing that the most pronounced decline was registered by those dealerships handling domestic makes only.

Note that of the 12,000 dealerships listed as handling both domestic and import makes, 9,000 represent domestic dealers handling their respective captive imports. The captive imports are Ford-Fiesta, Dodge-Colt and Challenger, and Plymouth-Arrow and Sapporo. Note also that of the 26,600 franchised "new car" dealerships, approximately 75% also sell a light-duty truck model.

Estimated Number of Franchised New Car Dealerships

As of the Beginning of the Year

Year	Total	Handling Domestic Makes Only	Handling Both Domestic and Imported Makes	Handling Imported Makes Only
1972	30,100	17,700	7,900	4,500
1973	30,100	16,700	8,700	4,700
1974	30,000	18,700	6,600	4,700
1975	29,600	18,500	6,500	4,600
1976	29,300	18,900	5,600	4,800
1977	29,100	17,700	6,900	4,500
1978	29,000	11,600	12,700	4,500
1979	28,850	11,650	12,700	4,500
1980	28,250	11,600	12,100	4,550
1981	26,600	10,000	12,000	4,600

SOURCE: NADA Economic Analysis Department

Estimated Number of Franchised

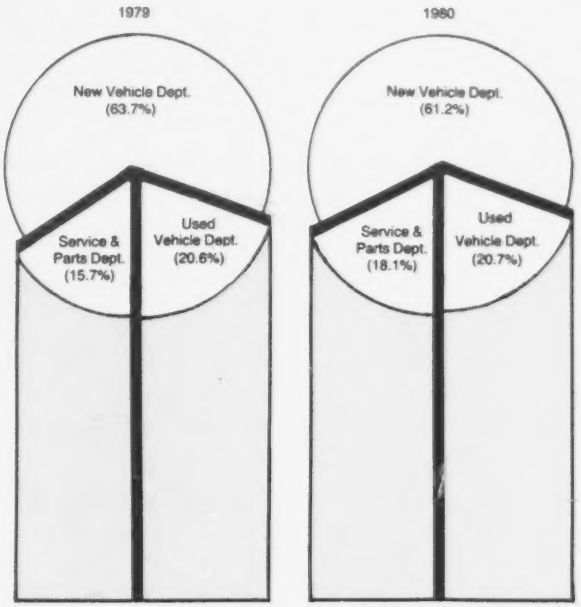
New Car Dealers by State As of January 1, 1981

Alabama	345	Montana	210
Alaska	25	Nebraska	365
Arizona	200	Nevada	85
Arkansas	365	New Hampshire	175
California	1900	New Jersey	780
Colorado	295	New Mexico	165
Connecticut	360	New York	1450
Delaware	65	North Carolina	715
Dist. of Columbia	10	North Dakota	255
Florida	750	Ohio	1355
Georgia	625	Oklahoma	500
Hawaii	50	Oregon	345
Idaho	180	Pennsylvania	1710
Illinois	1390	Rhode Island	100
Indiana	715	South Carolina	310
Iowa	675	South Dakota	210
Kansas	515	Tennessee	475
Kentucky	420	Texas	1565
Louisiana	385	Utah	165
Maine	215	Vermont	125
Maryland	380	Virginia	630
Massachusetts	610	Washington	440
Michigan	1010	West Virginia	290
Minnesota	645	Wisconsin	855
Mississippi	355	Wyoming	110
Missouri	730	**TOTAL**	26,600

SOURCE: NADA Economic Analysis Department

Total Dealership Sales Dollars

In spite of a new unit sales drop of 20% last year the average dealer's total dealership dollar sales decreased by only 4.1% from $4,953,000 to $4,752,000. This smaller decline reflects the effects of inflation, the decline in the number of dealerships, and the change in dealership product mix (i.e., the share of total sales accounted for by each department). This change in product mix is reflected in the charts on the right.



Total Sales of Franchised New Car Dealers

Year	All Dealers (Billions of Dollars)	Average Per Dealer (Thousands of dollars)
1971	$65.5	$2,170
1972	72.0	2,393
1973	83.5	2,780
1974	76.3	2,559
1975	84.2	2,860
1976	105.2	3,602
1977	121.9	4,196
1978	135.8	4,695
1979	141.4	4,953
1980	130.3	4,752

1980 Total Sales by State

STATE	All Dealers ($ Millions)	Average Per Dealer ($ Thousands)	STATE	All Dealers ($ Millions)	Average Per Dealer ($ Thousands)
Alabama	1,903	5,516	Montana	582	2,771
Alaska	233	9,320	Nebraska	991	2,715
Arizona	1,879	9,395	Nevada	665	7,824
Arkansas	1,374	3,764	New Hampshire	847	4,840
California	12,143	6,391	New Jersey	4,208	5,395
Colorado	1,743	5,908	New Mexico	821	4,976
Connecticut	1,731	4,808	New York	7,470	5,152
Delaware	284	4,369	North Carolina	3,129	4,376
District of Columbia	148	14,800	North Dakota	532	2,086
Florida	7,305	9,740	Ohio	6,299	4,649
Georgia	3,178	5,085	Oklahoma	2,005	4,010
Hawaii	420	8,400	Oregon	1,930	5,594
Idaho	601	3,339	Pennsylvania	6,546	3,828
Illinois	5,141	3,699	Rhode Island	412	4,120
Indiana	3,205	4,483	South Carolina	1,577	5,087
Iowa	1,774	2,628	South Dakota	446	2,124
Kansas	1,576	3,060	Tennessee	2,763	5,817
Kentucky	1,449	3,450	Texas	10,314	6,590
Louisiana	2,719	7,062	Utah	677	4,103
Maine	567	2,637	Vermont	320	2,560
Maryland	2,704	7,116	Virginia	3,276	5,200
Massachusetts	3,175	5,205	Washington	2,406	5,468
Michigan	5,833	5,775	West Virginia	1,097	3,783
Minnesota	2,816	4,366	Wisconsin	2,603	3,044
Mississippi	1,189	3,349	Wyoming	406	3,691
Missouri	2,899	3,971	TOTAL U.S.	130,331	4,752

Relationship of Franchised New Car Dealers to Total Retail Trade

For Establishments With Payroll

	Number of Dealers as % of Total Retail Establishments in the State	Dealer Sales as % of Total Retail Sales in the State	Dealer Payroll as % of Total Retail Payroll in the State	Dealer Employees as % of Total Retail Employment in the State		Number of Dealers as % of Total Retail Establishments in the State	Dealer Sales as % of Total Retail Sales in the State	Dealer Payroll as % of Total Retail Payroll in the State	Dealer Employees as % of Total Retail Employment in the State
Alabama	2.0	14.2	10.1	5.5	Montana	3.5	16.4	11.2	6.8
Alaska	1.4	10.9	7.0	3.7	Nebraska	3.0	14.5	9.8	5.1
Arizona	1.5	17.0	11.5	5.1	Nevada	1.7	15.3	10.1	4.9
Arkansas	2.8	16.6	9.2	5.6	New Hampshire	3.0	20.1	12.1	6.5
California	1.6	11.2	9.0	4.5	New Jersey	2.0	13.2	8.5	4.5
Colorado	1.9	13.1	9.5	4.8	New Mexico	2.1	16.5	11.0	5.9
Connecticut	2.3	13.0	9.5	4.9	New York	1.7	10.9	6.8	4.0
Delaware	2.0	11.0	8.4	4.4	North Carolina	2.4	14.5	10.0	5.5
Dist. of Columbia	0.6	4.7	2.8	1.8	North Dakota	4.3	19.3	12.7	7.5
Florida	1.4	15.4	9.8	5.0	Ohio	2.2	14.1	10.0	5.0
Georgia	2.2	14.7	9.7	5.1	Oklahoma	2.6	15.5	10.1	5.5
Hawaii	1.0	9.9	6.0	2.8	Oregon	2.2	15.5	10.2	5.7
Idaho	2.9	16.1	10.8	6.1	Pennsylvania	2.8	14.0	9.7	5.4
Illinois	2.5	10.7	8.8	4.4	Rhode Island	2.0	11.4	8.2	4.2
Indiana	2.7	14.9	9.7	4.9	South Carolina	2.1	15.0	10.5	5.5
Iowa	3.5	14.3	9.9	5.0	South Dakota	3.5	16.0	11.1	6.0
Kansas	3.1	15.6	10.5	5.4	Tennessee	2.1	15.9	10.4	5.4
Kentucky	2.3	10.7	10.0	5.2	Texas	1.9	14.7	9.8	5.0
Louisiana	1.9	16.9	11.1	5.9	Utah	2.3	11.8	9.7	4.9
Maine	3.0	12.7	11.5	6.4	Vermont	3.4	15.6	12.4	6.8
Maryland	1.9	13.8	9.7	5.0	Virginia	2.5	13.9	11.8	6.3
Massachusetts	2.2	12.6	8.4	4.5	Washington	2.1	13.4	9.5	4.9
Michigan	2.2	14.5	9.8	5.0	West Virginia	3.3	16.1	12.1	7.4
Minnesota	2.8	15.6	9.5	4.9	Wisconsin	2.8	13.7	9.5	4.9
Mississippi	2.6	15.0	11.5	6.2	Wyoming	3.0	18.7	10.4	6.8
Missouri	2.4	14.0	8.8	4.5	TOTAL	2.1	13.6	9.1	4.8

SOURCE: NADA Economic Analysis Department

The New Vehicle Department

The decline in the new vehicle department's share of total sales was brought on by a 16 percent drop in new car sales. While domestic new car sales were off by almost 20 percent, imports posted a slight gain (2.8%) and captured 26.7% of the market. The chart on the next page shows that AMC was the only domestic manufacturer to avoid losing some of its market share. All of the import makes listed increased their market share. The inventory chart on the following page shows a primary problem of dealers in 1980—the financing of slow moving inventories at record high interest rates.

Annual Totals

Year	Total Cars	Domestic Cars	Imported Cars	Imported Cars As a %of Total Sales	Small Cars As a % of Total Sales
1971	10,239,462	8,676,284	1,563,178	15.3%	34.4%
1972	10,937,698	9,321,502	1,616,196	14.8%	35.5%
1973	11,435,847	9,669,689	1,766,158	15.4%	39.0%
1974	8,852,768	7,448,921	1,403,847	15.9%	44.0%
1975	8,632,952	7,050,120	1,582,832	18.3%	51.3%
1976	10,105,750	8,606,573	1,499,177	14.8%	46.8%
1977	11,178,644	9,104,454	2,074,390	18.6%	47.0%
1978	11,310,411	9,307,998	2,002,413	17.7%	48.1%
1979	10,660,351	8,328,055	2,332,296	21.9%	56.6%
1980	8,976,535	6,578,252	2,398,283	26.7%	64.0%
AVG. 71-'80	10,233,062	8,409,135	1,823,877	17.8%	46.7%

New Car Sales by Month
Seasonally adjusted Annual Rate

	1980 Actual	1980 S.A.A.R.* (In millions)	1979 Actual	1979 S.A.A.R.* (In millions)	Percent Change 1979-1980
January	805,500	11.4	783,000	11.1	+2.9%
February	811,300	10.7	841,200	11.1	−3.6%
March	894,900	10.0	1,115,900	12.4	−19.8%
April	743,000	8.5	987,700	11.4	−24.8%
May	696,500	7.4	1,053,200	11.1	−33.9%
June	701,800	7.5	905,700	9.6	−22.5%
July	772,600	9.2	886,000	10.6	−12.8%
August	685,200	9.0	916,200	12.2	−25.2%
September	671,300	8.2	773,000	9.5	−13.1%
October	847,200	9.3	896,800	9.7	−5.5%
November	697,900	8.2	772,000	9.0	−9.6%
December	649,300	9.2	729,700	10.5	−11.0%
Full Year	8,976,500	10.7	10,660,400	9.0	−15.8%

* Seasonally Adjusted Annual Rate

Market Penetration

Share of Total U.S. New Car Sales

Year	AMC	Chrysler	Ford	General Motors	VW	Datsun	Honda	Toyota	Other Imports	Total
1971	256,963 2.5%	1,388,070 13.6%	2,377,357 23.2%	4,653,894 45.5%	520,630 5.1%	185,270 1.8%	9,509 0.1%	294,389 2.9%	553,380 5.4%	10,239,462
1972	312,271 2.9%	1,517,610 13.9%	2,667,794 24.4%	4,823,327 44.1%	485,645 4.4%	187,513 1.7%	20,500 0.2%	295,915 2.7%	626,623 5.7%	10,937,698
1973	395,831 3.5%	1,528,540 13.4%	2,672,022 23.4%	5,073,296 44.4%	476,048 4.2%	231,191 2.0%	38,957 0.3%	289,378 2.5%	730,584 6.4%	11,435,847
1974	335,093 3.8%	1,203,636 13.6%	2,214,658 25.0%	3,695,534 41.7%	334,423 3.8%	185,162 2.1%	41,719 0.5%	238,135 2.7%	604,408 6.8%	8,852,768
1975	322,272 3.7%	997,116 11.6%	1,983,723 23.0%	3,747,009 43.4%	267,730 3.1%	259,842 3.0%	102,389 1.2%	287,103 3.3%	665,768 7.7%	8,632,952
1976	247,640 2.5%	1,301,940 12.9%	2,256,277 22.3%	4,800,716 47.5%	201,760 2.0%	270,103 2.7%	150,929 1.5%	346,900 3.4%	529,485 5.2%	10,105,750
1977	184,361 1.6%	1,219,752 10.9%	2,552,210 22.8%	5,148,131 46.1%	262,932 2.4%	388,383 3.5%	223,633 2.0%	493,048 4.4%	706,394 6.3%	11,178,844
1978	170,739 1.5%	1,146,258 10.1%	2,582,702 22.8%	5,385,282 47.6%	242,241 2.1%	339,364 3.0%	274,876 2.4%	441,800 3.9%	727,149 6.4%	11,310,411
1979	162,057 1.5%	942,205 8.8%	2,140,368 20.1%	4,917,911 46.1%	295,293 2.8%	472,252 4.4%	353,291 3.3%	507,816 4.8%	869,158 8.2%	10,660,351
1980	149,438 1.7%	660,017 7.4%	1,475,231 16.4%	4,116,482 45.9%	269,726 3.0%	515,884 5.8%	375,388 4.2%	582,204 6.5%	831,165 9.3%	8,976,535
Decade Avg.	253,667 2.5%	1,190,514 11.6%	2,292,234 22.4%	4,636,208 45.3%	335,643 3.3%	303,596 3.0%	159,119 1.6%	377,669 3.7%	684,412 6.7%	10,233,062

Average Number of New Cars Sold per Dealer and Average Selling Price per Vehicle

Year	New Cars Sold	Average Vehicle Selling Price
1971	340	$3,730
1972	363	$3,690
1973	381	$3,930
1974	300	$4,390
1975	295	$4,750
1976	346	$5,470
1977	385	$6,120
1978	391	$6,470
1979	373	$6,950
1980	327	$7,530
Avg. '79-'80	350	$5,300

SOURCE: NADA Economic Analysis Department

New Car Inventories & Days Supply

(Yearly Average)

	Domestic		Imports	
	Inventory	Days Supply	Inventory	Days Supply
1971	1,581,000	55	N.A.	N.A.
1972	1,515,000	49	N.A.	N.A.
1973	1,576,000	51	N.A.	N.A.
1974	1,605,000	68	477,100	104
1975	1,514,000	67	406,700	80
1976	1,465,000	55	536,000	111
1977	1,682,000	58	430,700	64
1978	1,804,000	61	606,900	93
1979	1,891,000	70	502,200	63
1980	1,506,000	71	458,100	55

N.A. — not available

The Used Vehicle Department

The used vehicle department accounts for just over twenty percent of the average dealer's total sales volume. The used vehicle department is different than new vehicles in that franchised dealers represent only one segment of the selling market which also includes used car dealers and private transactions. Estimates of the percent of the retail used vehicle market accounted for by each type of seller for the period 1979 and 1980 are—franchised new car dealers 31%, independent used car dealers 14%, and private transactions 55%. Historically, an increasing share of the market has been accounted for by private transactions. Government figures indicate that private transactions represented only 43% of the retail market in 1973.

Franchised dealers obtain used vehicles from five sources. NADA surveys indicate that the source of used cars retailed by franchised dealers during 1976-1977 were as follows:

trade-in on new vehicle	57%
trade-in on used vehicle	20%
street purchase	12%
auction purchase	7%
company vehicle	4%

Used Vehicle Sales by Franchised New Car & Truck Dealers
(In Thousands)

Year	Retail	Wholesale	Total
1971	9,964	2,188	12,152
1972	10,295	2,260	12,555
1973	9,942	2,333	12,275
1974	8,625	2,023	10,648
1975	9,137	2,144	11,281
1976	10,035	2,478	12,513
1977	10,097	2,847	12,944
1978	9,903	3,127	13,030
1979	8,804	2,810	11,614
1980	7,818	2,469	10,287
Avg. '71-'80	9,462	2,468	11,930

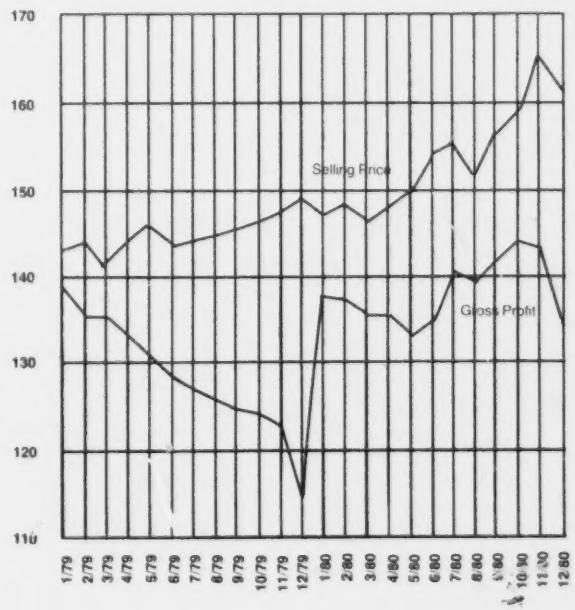
SOURCE: NADA Economic Analysis Department

Average Selling Price and Gross Profit of Used Cars Retailed by Franchised New Car Dealers

	Selling Price Per Unit		Gross Profit Per Unit	
	1980	1979	1980	1979
January	$3,237	$3,144	$535	$542
February	3,262	3,149	535	525
March	3,233	3,107	530	525
April	3,240	3,181	531	520
May	3,293	3,225	518	511
June	3,380	3,157	529	499
July	3,422	3,173	545	494
August	3,345	3,180	544	491
September	3,433	3,188	548	488
October	3,509	3,212	556	488
November	3,671	3,253	556	474
December	3,571	3,269	517	444
Annual Avg.	3,389	3,205	543	504

SOURCE: NADA Economic Analysis Department

Used Cars Retailed
Selling Price and Gross Profit Per Unit Indices
(Average Month 1975 = 100)



The Service and Parts Departments

With new and used vehicle sales declining, more emphasis was placed on producing revenue in the service and parts departments. As a result, the service and parts share of total sales rose to 18.1 percent in 1980, from 15.7 percent in 1979, and total service and parts sales increased by 6.4 percent. Despite this increase, the dealers' share of the service and parts market continued to decline, as shown in the first chart which follows.

This downward trend should soon reverse itself, as vehicles become more complicated and consumers become more aware of the quality of dealership mechanics. Almost 50 percent of dealership mechanics are NIASE certified, compared to 18 percent at specialty shops, 12 percent at independent repair shops, 10 percent at service stations, and 6 percent at mass merchandise stores. Another factor which should tend to increase the dealer's share of the market is the increasing popularity of service contracts. About 70 percent of the dealers currenty sell service contracts.

The second chart, which presents a breakdown by repair facility of service and parts sales with tires and without, shows that the dealers' share of the market is significantly higher when tires are excluded. The third chart presents a dollar breakdown by type of sale included within the dealers' share, as well as the 1980 growth rate for each type of sale.

Number of Auto Repair Facilities 1980

Franchised New Car Dealers	26,600
Auto Repair Shops*	170,000
TBA	18,850
Other Auto and Home Supply Stores	1,860
Service Stations	70,000
Mass Merchandisers	3,500
All Others	1,430
Total	292,240

NOTE: In all categories other than Dealers and Auto Repair Shops, the number of establishments selling auto parts and accessories exceeds the number selling service. when the difference is added to the above total, the resulting figure is 331,090.

Total Service and Parts Market (Billions of Dollars)

	Total	Franchised New Car Dealers	Automotive Repair Shops*	Gasoline Service Stations	Tire, Battery, and Accessory Dealers	Mass Merchandisers	All Others**
1976	47.9	16.5	12.1	4.9	8.8	4.3	1.3
1977	53.2	18.8	13.4	5.1	9.6	4.9	1.4
1978	59.7	20.5	15.2	5.4	11.6	5.5	1.5
1979	66.8	22.2	17.7	5.9	13.5	6.0	1.5
1980	71.7	23.6	18.7	6.4	15.2	6.3	1.5

* Includes independent and franchised repair shops.
** Includes non-franchised dealers, farm equipment dealers, and fleet shops.
NOTE: Revenue for each type of repair facility includes tire sales.
SOURCE: NADA Economic Analysis Department and U.S. Bureau of Census.

1980 Service and Parts Market (Billions of Dollars)

	Total Including Tires	Percent of Total	Tire Sales**	Total Excluding Tires	Percent of Total
Franchised New Car Dealers	$23.6	32.9	.26	$23.3	39.6
Auto Repair Shops*	18.7	26.1	.38	18.3	31.1
TBA	15.2	21.2	7.2	8.0	13.6
Service Stations	6.4	8.9	1.5	4.9	8.3
Mass Merchandisers	6.3	8.8	3.5	2.8	4.8
All Others	1.5	2.2	0.0	1.5	2.6
Total	$71.7	100.0	$12.8	$58.8	100.0

** Data derived from Modern Tire Dealer
* Includes independent and franchised repair shops.
SOURCE: NADA Economic Analysis Department

Franchised New Car Dealer Service and Parts (Millions of Dollars)

Service Labor Sales	1978	1979	1980	Percent Change 1979 to 1980
Customer Mechanical	3,692	3,927	4,255	+8.4%
Customer Body	1,984	2,108	2,371	+12.5%
Warranty	1,132	1,253	1,334	+6.5%
Sublet	685	756	699	−7.5%
Internal	1,043	1,133	1,048	−7.5%
Other Sales	715	795	868	+9.2%
Total Service Labor	9,229	9,942	10,585	+6.5%
Parts Sales				
Customer Mechanical	3,195	3,498	3,574	+2.2%
Customer Body	1,186	1,313	1,330	+1.3%
Wholesale	3,306	3,584	4,096	+14.3%
Counter	998	1,068	1,161	+8.7%
Warranty	1,096	1,228	1,304	+6.2%
Internal	1,020	1,092	1,083	−0.8%
Other Sales	428	491	509	+3.7%
Total Parts	11,235	12,275	13,043	+6.3%
Total Service & Parts	20,464	22,217	23,629	+6.4%

SOURCE: NADA Economic Analysis Department

Employment and Payrolls

Dealerships are often one of the major employers in their local communities, however, the economic downturn of 1980 forced many dealers to substantially reduce their employment levels. The number and types of employees varies significantly among dealerships. It is estimated; however, that the total employment count for 1980 is distributed as follows:

New and used salesman	147,000
Mechanics	212,000
Services and parts workers (other than mechanics)	208,000
Supervisors, general office workers and others	171,000
Total	738,000

The average dealer in 1980 employed 27 persons and had an annual payroll of $386,000. The annual payroll of all dealers totaled 10.5 billion dollars and represented 9.1% of total retail trade payroll in the nation.

Estimated Numbers of Employees of Franchised New Car Dealers

Annual National Averages (Including Owners and Officers)

Year	Total Number For All Dealers	Average Number Per Dealer
1970	742,000	24
1971	729,000	24
1972	768,000	26
1973	778,000	26
1974	747,000	25
1975	718,400	24
1976	741,900	25
1977	765,200	26
1978	802,700	28
1979	813,400	28
1980	738,000	27

SOURCE: NADA Economic Analysis Department

Estimated Number of Employees of Franchised New Car Dealers

1980 Averages by State (Including Owners and Officers)

	Total Number For All Dealers	Average Number Per Dealer
Alabama	10,400	30
Alaska	1,100	44
Arizona	11,000	55
Arkansas	7,300	20
California	65,500	34
Colorado	10,200	35
Connecticut	11,600	32
Delaware	1,700	26
District of Columbia	900	90
Florida	39,900	53
Georgia	18,300	29
Hawaii	2,600	52
Idaho	3,900	22
Illinois	25,800	19
Indiana	17,100	24
Iowa	10,600	16
Kansas	9,500	18
Kentucky	8,100	19
Louisiana	15,600	40
Maine	4,100	19
Maryland	16,800	44
Massachusetts	21,400	35
Michigan	26,800	27
Minnesota	16,300	25
Mississippi	7,300	21
Missouri	15,000	21
Montana	4,000	19
Nebraska	6,400	18
Nevada	3,400	40
New Hampshire	5,400	31
New Jersey	22,500	29
New Mexico	5,000	30
New York	42,900	30
North Carolina	19,100	27
North Dakota	3,800	15
Ohio	34,200	25
Oklahoma	10,900	22
Oregon	11,200	32
Pennsylvania	41,100	24
Rhode Island	2,500	25
South Carolina	9,100	29
South Dakota	2,900	14
Tennessee	14,900	31
Texas	53,200	34
Utah	3,900	24
Vermont	2,400	19
Virginia	21,000	33
Washington	14,200	32
West Virginia	7,000	24
Wisconsin	15,600	18
Wyoming	2,600	24
TOTAL U.S.	738,000	27

Estimated Payrolls of Franchised New Car Dealers 1980 Year by State

STATE	ANNUAL PAYROLLS Total Of all Dealers ($ Millions)	ANNUAL PAYROLLS Average Per Dealer ($ Thousands)	WEEKLY PAYROLLS Total Of all Dealers ($ Thousands)	WEEKLY PAYROLLS Average Per Dealer ($ Thousands)
Alabama	134	388	2,574	7.5
Alaska	20	793	381	15.3
Arizona	175	875	3,365	16.8
Arkansas	65	232	1,633	4.6
California	1,134	597	21,804	11.5
Colorado	155	527	2,990	10.1
Connecticut	159	443	3,069	8.5
Delaware	24	365	457	7.0
District of Columbia	14	989	265	19.0
Florida	606	807	11,650	15.5
Georgia	237	378	4,549	7.3
Hawaii	38	770	740	14.8
Idaho	51	282	974	5.4
Illinois	403	290	7,751	5.6
Indiana	240	335	4,606	6.4
Iowa	137	203	2,638	3.9
Kansas	119	230	2,279	4.4
Kentucky	104	247	1,994	4.8
Louisiana	209	542	4,010	10.4
Maine	48	222	917	4.3
Maryland	248	652	4,761	12.5
Massachusetts	276	453	5,312	8.7
Michigan	431	427	8,302	8.2
Minnesota	220	341	4,230	6.6
Mississippi	91	257	1,753	4.9
Missouri	227	311	4,366	6.0
Montana	48	229	924	4.4
Nebraska	81	221	1,554	4.3
Nevada	72	849	1,387	16.3
New Hampshire	70	401	1,350	7.7
New Jersey	345	443	6,643	8.5
New Mexico	64	388	1,232	7.5
New York	606	418	11,661	8.0
North Carolina	250	350	4,816	6.7
North Dakota	49	193	944	3.7
Ohio	482	356	9,272	6.8
Oklahoma	144	288	2,773	5.5
Oregon	159	460	3,051	8.8
Pennsylvania	535	313	10,279	6.0
Rhode Island	34	336	646	6.5
South Carolina	112	362	2160	7.0
South Dakota	36	171	691	3.3
Tennessee	196	413	3,770	7.9
Texas	781	499	15,027	9.6
Utah	55	332	1,055	6.4
Vermont	29	235	564	4.5
Virginia	289	459	5,559	8.8
Washington	230	523	4,426	10.1
West Virginia	87	299	1,668	5.8
Wisconsin	203	523	4,426	10.1
Wyoming	34	313	662	6.0
TOTAL U.S.	10,576	386	203,385	7.4

Estimated Average Weekly Earnings Of Franchised New Car Dealer Employees of 1980

Alabama	$250	Montana	$232
Alaska	348	Nebraska	239
Arizona	305	Nevada	315
Arkansas	230	New Hampshire	248
California	338	New Jersey	293
Colorado	289	New Mexico	250
Connecticut	266	New York	267
Delaware	269	North Carolina	248
District of Columbia	271	North Dakota	247
Florida	292	Ohio	272
Georgia	252	Oklahoma	250
Hawaii	285	Oregon	275
Idaho	245	Pennsylvania	250
Illinois	295	Rhode Island	260
Indiana	267	South Carolina	241
Iowa	244	South Dakota	236
Kansas	244	Tennessee	255
Kentucky	253	Texas	284
Louisiana	260	Utah	267
Maine	226	Vermont	237
Maryland	284	Virginia	267
Massachusetts	249	Washington	316
Michigan	304	West Virginia	242
Minnesota	264	Wisconsin	256
Mississippi	233	Wyoming	250
Missouri	286	TOTAL U.S.	278

NOTE: Includes officers of corporations but excludes proprietors and partners of unincorporated dealerships.

SOURCE: NADA Economic Analysis Department

Estimated Payrolls of Franchised New Car Dealers

YEAR	ANNUAL PAYROLLS Total of All Dealers ($ Billions)	ANNUAL PAYROLLS Average Per Dealer ($ Thousands)	WEEKLY PAYROLLS Total of All Dealers ($ Thousands)	WEEKLY PAYROLLS Average Per Dealer ($ Thousands)
1971	5.9	196	114	3.8
1972	6.8	226	131	4.3
1973	7.3	244	141	4.7
1974	7.5	250	143	4.8
1975	7.7	261	148	5.0
1976	8.3	284	160	5.5
1977	9.2	316	177	6.1
1978	10.4	361	201	6.9
1979	11.2	393	216	7.6
1980	10.6	386	203	7.4

Estimated Average Weekly Earnings Dealership Employees

1971	$156	1976	$215
1972	$170	1977	$231
1973	$181	1978	$250
1974	$192	1979	$265
1975	$206	1980	$278

SOURCE: NADA Economic Analysis Department

Advertising and The Franchised Dealership

Advertising is just one of the many expenditures that franchised dealers make in their local communities. Being in a highly competitive industry, dealers must make heavy advertising expenditures in all types of media in order to extoll the virtues of their products and their particular dealership. In 1980 total advertising expenditures for all dealerships was over $1.2 billion dollars, an increase of 8.1% from 1979.

Local Advertising by Franchised New Car Dealers

Estimated Totals Spent in 1980 by All Dealers

By Media Used

Newspaper (Classified)	$349 Million
Newspaper (Display)	303 Million
Radio	262 Million
TV	79 Million
Direct Mail	75 Million
Outdoor (Billboards, Signs)	34 Million
Programs (Theatre, Sports, School, etc.)	16 Million
Handouts or Handbills	7 Million
Display & Demonstrations	20 Million
Other	15 Million
Total	**$1,160 Million**

Local Advertising Franchised New Car Dealers

Estimated Totals Spent in 1980 by All Dealers

By Type of Advertising

New Vehicle	$580 Million
Used Vehicle	336 Million
Institutional	116 Million
Service	128 Million
Total	**1,160 Million**

Local Advertising by Franchised New Car Dealers

Estimated Average Advertising Expenses per Dealer in 1980

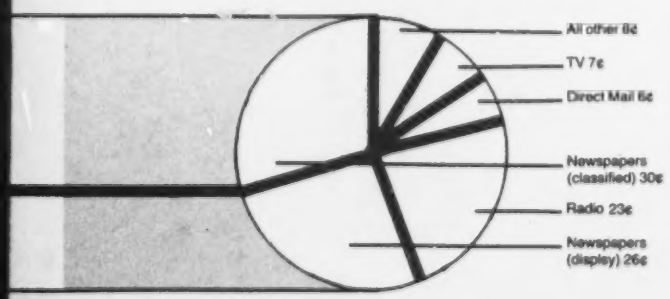
Dealers Classified by Number of New Vehicles Sold in 1980

By Media Used	Average of All Dealers	1-149	150-399	400-749	750 or More
Newspapers (Classified)	$12,733	$2,769	$7,593	$20,643	$44,850
Newspapers (Display)	11,040	2,704	6,633	16,592	31,765
Radio	9,560	2,106	6,564	14,696	28,008
TV	2,893	388	1,352	6,594	21,502
Direct Mail	2,724	705	1,513	3,910	7,930
Outdoor (Billboards, Signs)	1,256	343	644	1,468	4,231
Programs (Theatre, Sports, School, etc.)	571	125	383	941	1,598
Handouts or Handbills	258	90	107	147	620
Display & Demonstrations	715	165	470	1,168	1,871
Other	550	255	291	581	1,555
Total	**$42,300**	**$9,650**	**$25,550**	**$66,740**	**$143,930**
Total Local Advertising Expenses As a % of Total Sales	0.89%	0.66%	0.74%	0.94%	1.01%
Total Local Advertising Expenses Per New Vehicle Sold	$101	$91	$101	$115	$118

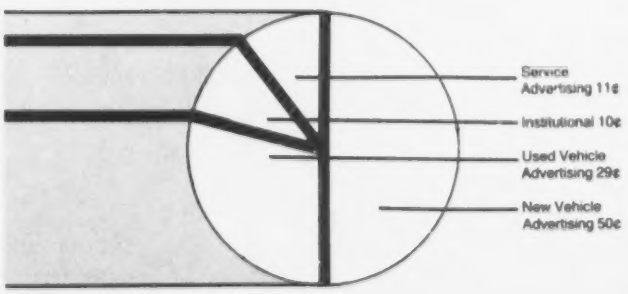
By Type of Advertising	Average of All Dealers	1-149	150-399	400-749	750 or More
New Vehicle	$21,150	$4,540	$12,260	$34,700	$79,160
Used Vehicle	12,270	2,800	7,410	20,030	40,300
Institutional	4,230	1,160	2,810	5,340	10,070
Service	4,650	1,150	3,070	6,670	14,400
Total	**$42,300**	**$9,650**	**$25,550**	**$66,740**	**$143,930**

SOURCE: NADA Economic Analysis Department

Where the Average Dealer Advertising Dollar Goes



How The Average Dealer Uses His Advertising Dollar



Consumer Credit

With interest rates hitting record levels during the spring of 1980, the prime interest rate exceeded the usury ceilings for automobile retail financing in 36 states, which accounted for 59% of new car sales during 1979. As a result, banks found it unprofitable to make retail automobile loans. During the decade of the 70's, commercial banks made on average 60% of new car loans. During the spring of 1980, banks provided only 42% of automobile financing. At the same time, the captive finance companies increased their market penetration to over 41%, more than double their average for the decade.

New automobile loans made by finance companies showed a slight increase in average maturity (from 44.3 months in 1979 to 44.7 months in 1980) and a substantial increase in the average finance rate (from 13.5% in 1979 to 14.8% in 1980).

Automobile Paper Extensions by Type of Lender—1980 (% of Total)

	Commercial Banks		Credit	Finance
	Purchased	Direct	Unions	Companies
Jan.	27.6	23.2	21.8	27.4
Feb.	29.4	24.6	15.8	30.3
Mar.	27.3	19.6	18.0	35.1
Apr.	25.0	16.9	16.8	41.3
May	26.1	19.3	16.1	38.5
June	22.9	22.4	14.8	39.9
July	24.9	24.1	17.8	33.2
Aug.	27.2	23.0	17.6	32.2
Sept.	27.5	23.4	18.7	30.4
Oct.	28.3	22.0	19.3	30.4
Nov.	27.6	22.3	19.7	30.4
Dec.	25.7	19.5	21.3	33.5

SOURCE: Board of Governors of the Federal Reserve System

Automobile Paper Extended and Repaid (Billions of Dollars)

Year	Extended	Repaid	Year	Extended	Repaid
1971	36.7	32.5	1976	63.7	53.3
1972	43.7	38.1	1977	75.6	60.4
1973	49.6	43.7	1978	89.0	69.4
1974	46.5	46.0	1979	92.0	78.1
1975	52.4	49.4	1980	83.0	83.0

Source: Board of Governors of the Federal Reserve System

Automobile Paper

Estimated Amounts Outstanding by Holder (Millions of Dollars)

End of Year	Total Amount	Commercial Banks (Purchased) Amount	% of Total	Commercial Banks (Direct) Amount	% of Total	Credit Unions Amount	% of Total	Finance Companies Amount	% of Total
1971	40,519	14,756	36%	9,987	25%	5,613	14%	10,163	25%
1972	47,862	17,257	36%	11,668	24%	8,421	18%	10,516	22%
1973	53,772	20,043	37%	13,244	25%	9,746	18%	10,739	20%
1974	54,266	19,723	36%	13,051	24%	10,869	20%	10,623	20%
1975	57,242	19,332	34%	13,955	24%	12,741	22%	11,214	20%
1976	67,707	22,072	33%	17,549	26%	15,238	23%	12,848	19%
1977	82,911	27,379	33%	22,198	27%	18,099	22%	15,235	18%
1978	102,468	33,850	33%	26,714	26%	21,967	21%	19,937	19%
1979	116,362	38,338	33%	29,029	25%	22,244	19%	26,751	23%
1980	116,327	34,857	30%	26,168	22%	21,060	18%	34,242	29%

SOURCE: Board of Governors of the Federal Reserve System

Consumer Installment Credit Outstanding At End of Year (Billions of Dollars)

Year	Total (Billions of Dollars)	Auto Paper (Billions of Dollars)	Auto Paper as Percent of Total
1971	118.3	40.5	34.3%
1972	133.2	47.9	36.0%
1973	155.1	53.8	34.7%
1974	164.6	54.3	33.0%
1975	172.4	57.2	33.2%
1976	194.0	67.7	34.9%
1977	230.8	82.9	35.9%
1978	275.6	102.5	37.2%
1979	312.0	116.4	37.3%
1980	313.4	116.3	37.1%

SOURCE: Board of Governors of the Federal Reserve System

Vehicles in Operation, Registrations, and Scrappage

Total motor vehicles in operation rose 27% in 1980 to over 151 million units. Over the past ten year, trucks in operation have grown at a faster rate than automobiles. As a result, trucks and buses now represent 22.4 of all motor vehicles in operation, versus 18.0% in 1971.

Vehicles in Operation as of January 1

	Automobiles	Trucks & Buses	Total
1971	82,856,000	18,163,000	101,019,000
1972	86,252,000	19,077,000	105,329,000
1973	90,282,000	20,563,000	110,845,000
1974	96,098,000	22,330,000	118,428,000
1975	98,356,000	23,788,000	122,144,000
1976	100,326,000	25,132,000	125,458,000
1977	101,338,000	26,506,000	127,844,000
1978	105,504,000	28,153,000	133,657,000
1979	109,800,000	30,322,000	140,122,000
1980	114,606,000	32,763,000	147,369,000
1981	117,520,000	33,850,000	151,370,000

Cars and Population

Year	Estimated Population Residing in U.S. (At End of Year) (Millions)	Estimated Passenger Cars in Operation (At End of Year) (Millions)	Persons Per Car
1910	92.6	.5	202
1920	106.8	8.0	13
1930	123.4	20.4	6.0
1940	133.3	25.8	5.2
1950	153.6	37.6	4.1
1960	182.2	57.6	3.2
1965	195.4	69.3	2.8
1970	206.0	82.9	2.5
1975	214.3	100.3	2.1
1976	215.9	101.3	2.1
1977	217.6	105.5	2.1
1978	219.3	109.8	2.0
1979	221.2	114.6	1.9
1980	223.2	117.5	1.9
1985	234.0	137.5	1.7
1990	244.5	159.4	1.5
2000	261.1	194.3	1.3

SOURCE: U.S. Bureau of the Census and NADA Economic Analysis Department

Total U.S. Motor Vehicle Registrations in 1980

	Autos	Trucks and Buses	Total Vehicles*
Alabama	2,115,000	839,000	2,954,000
Alaska	156,000	99,000	255,000
Arizona	1,325,000	541,000	1,866,000
Arkansas	1,017,000	536,000	1,553,000
California	12,852,000	3,949,000	16,801,000
Colorado	1,764,000	631,000	2,395,000
Connecticut	2,060,000	180,000	2,240,000
Delaware	326,000	78,000	404,000
District of Columbia	238,000	19,000	257,000
Florida	6,429,000	1,482,000	7,911,000
Georgia	3,038,000	827,000	3,865,000
Hawaii	516,000	64,000	580,000
Idaho	479,000	331,000	810,000
Illinois	7,534,000	1,245,000	8,779,000
Indiana	2,941,000	981,000	3,922,000
Iowa	1,755,000	625,000	2,380,000
Kansas	1,393,000	961,000	2,354,000
Kentucky	1,833,000	827,000	2,660,000
Louisiana	1,976,000	816,000	2,792,000
Maine	531,000	191,000	722,000
Maryland	2,373,000	499,000	2,872,000
Massachusetts	3,325,000	477,000	3,802,000
Michigan	5,241,000	1,322,000	6,563,000
Minnesota	2,459,000	1,012,000	3,471,000
Mississippi	1,166,000	381,000	1,547,000
Missouri	2,454,000	870,000	3,324,000
Montana	588,000	370,000	958,000
Nebraska	874,000	372,000	1,246,000
Nevada	422,000	156,000	578,000
New Hampshire	543,000	112,000	655,000
New Jersey	4,324,000	511,000	4,835,000
New Mexico	680,000	381,000	1,061,000
New York	7,162,000	1,054,000	8,216,000
North Carolina	3,492,000	1,170,000	4,662,000
North Dakota	366,000	264,000	630,000
Ohio	6,254,000	1,256,000	7,510,000
Oklahoma	1,845,000	914,000	2,759,000
Oregon	1,513,000	642,000	2,155,000
Pennsylvania	5,811,000	1,084,000	6,895,000
Rhode Island	514,000	78,000	592,000
South Carolina	1,542,000	474,000	2,016,000
South Dakota	374,000	232,000	606,000
Tennessee	2,373,000	730,000	3,103,000
Texas	7,389,000	2,830,000	10,219,000
Utah	686,000	323,000	1,009,000
Vermont	260,000	79,000	339,000
Virginia	3,060,000	521,000	3,581,000
Washington	2,310,000	951,000	3,261,000
West Virginia	970,000	395,000	1,365,000
Wisconsin	2,530,000	678,000	3,208,000
Wyoming	289,000	202,000	491,000
TOTAL U.S.	123,467,000	35,562,000	159,029,000

* Total Vehicles Excludes Motorcycles (5,823,000)
SOURCE: Federal Highway Administration

Total U.S. Motor Vehicle Registrations

	Autos	Trucks & Buses	Total Vehicles
1975	106,713,000	26,238,000	132,951,000
1976	110,189,000	28,257,000	138,446,000
1977	112,288,000	30,093,000	142,381,000
1978	116,575,000	32,203,000	148,778,000
1979	120,248,000	33,870,000	154,118,000
1980	123,467,000	35,562,000	159,029,000

Estimated Auto Scrappage

Year	Estimated Number of Cars Scrapped During Year	Scrappage as a % of Total Cars in Operation at Beginning of Year	Scrappage as a % of New Car Registrations
1971	6,547,000	7.9	65.8
1972	6,578,000	7.6	62.0
1973	5,665,000	6.3	49.3
1974	6,542,000	6.8	74.3
1975	6,387,000	6.5	76.4
1976	6,750,000	6.7	68.4
1977	6,784,000	6.7	62.0
1978	6,775,000	6.4	61.2
1979	5,642,000	5.1	54.0
1980	5,947,000	5.2	67.1
AVG '71-'80	6,362,000	6.5	64.1%

SOURCE: NADA Economic Analysis Department

Estimated Truck Scrappage

Year	Estimated Number of Trucks Scrapped During Year	Scrappage as a % of Total Trucks in Operation at Beginning of Year	Scrappage as a % of New Truck Registrations
1971	1,123,000	6.2	55.1
1972	1,083,000	5.7	42.2
1973	1,329,000	6.5	42.9
1974	1,257,000	5.6	46.3
1975	1,106,000	4.6	45.1
1976	1,751,000	7.0	56.0
1977	1,940,000	7.3	54.1
1978	1,881,000	6.7	46.4
1979	1,107,000	3.7	31.2
1980	1,400,000	4.3	56.3
AVG '71-'80	1,398,000	5.8	47.6

SOURCE: NADA Economic Analysis Department

The Franchised New Truck Dealer

As 1981 opened, there were 24,800 franchised dealers selling new trucks. The vast majority of these dealers are primarily car dealers who also handle their manufacturer's line of light-duty trucks. The number of exclusive truck dealers in the U.S. is estimated to be 3,100.

The exclusive truck dealer body had a particularly bad year in 1980. Total medium and heavy duty truck sales in 1980 were down 29% from their 1979 level. As indicated in the chart on the following page truck inventories, like automobile inventories, were high and slow moving in 1980. The financing of inventory levels is particularly burdensome for medium and heavy duty truck dealers because of the method in which the Federal Excise Tax is collected. Under present law the tax is inposed on the manufacturer at the time that it wholesales the truck to the dealer. The dealer ends up not only financing the wholesale price of the vehicle, but also the cost of the federal excise tax.

Estimated Number of Truck Dealers
As of January 1

1975	27,400
1976	27,000
1977	26,400
1978	26,600
1979	26,100
1980	25,700
1981	24,800

Estimated Number of Franchised New Truck Dealers By State
As of January 1, 1981

Alabama	320	Montana	195
Alaska	20	Nebraska	340
Arizona	185	Nevada	75
Arkansas	340	New Hampshire	160
California	1,770	New Jersey	730
Colorado	275	New Mexico	155
Connecticut	325	New York	1,355
Delaware	60	North Carolina	670
District of Columbia	5	North Dakota	240
Florida	700	Ohio	1,265
Georgia	585	Oklahoma	470
Hawaii	45	Oregon	320
Idaho	170	Pennsylvania	1,595
Illinois	1,300	Rhode Island	90
Indiana	670	South Carolina	290
Iowa	630	South Dakota	200
Kansas	480	Tennessee	445
Kentucky	390	Texas	1,460
Louisiana	360	Utah	155
Maine	200	Vermont	115
Maryland	355	Virginia	590
Massachusetts	570	Washington	410
Michigan	940	West Virginia	270
Minnesota	600	Wisconsin	800
Mississippi	330	Wyoming	100
Missouri	680	TOTAL U.S.	24,800

U.S. New Truck Sales

Year	Domestics	Imports	Total
1971	2,009,000	85,000	2,094,000
1972	2,483,000	143,000	2,626,000
1973	2,915,000	233,000	3,148,000
1974	2,511,000	176,000	2,687,000
1975	2,248,000	231,000	2,479,000
1976	2,944,000	237,000	3,181,000
1977	3,352,300	323,200	3,675,500
1978	3,773,200	335,900	4,109,100
1979	3,010,400	469,400	3,479,800
1980	2,002,500	484,600	2,487,100
AVG			
'71-'80	2,724,800	271,800	2,996,600

Domestic New Truck Inventories—1980

(as of 1st of each month)

	Light-Duty		Medium-Duty		Heavy-Duty		Total Truck	
	Number	Days Supply	Number	Days Supply	Number	Days Supply	Number	Days Supply
Jan	711,354	96	40,379	122	51,630	98	803,363	97
Feb	728,836	101	33,277	108	54,411	89	816,526	100
March	729,551	103	33,103	98	47,927	81	810,581	101
April	696,472	92	29,870	86	52,575	92	778,917	91
May	680,584	110	29,316	104	54,230	93	764,130	109
June	637,958	106	31,614	135	58,554	110	728,156	107
July	547,362	73	32,916	110	58,509	96	638,787	76
August	466,139	67	33,785	98	55,284	83	555,208	70
Sept	397,123	70	32,106	96	50,632	80	479,861	72
Oct	420,496	82	27,937	78	45,521	79	493,956	82
Nov	461,751	79	24,275	84	42,750	70	528,776	79
Dec	489,466	83	24,211	116	43,609	100	557,286	85
1980 AVG	580,591	89	31,066	103	51,303	89	662,962	89
1979 AVG	819,585	87	49,272	99	58,951	81	927,807	87

* Days Supply is calculated by dividing inventories by the daily selling rate.
Source: Ward's Automotive Reports

Factory Sales of Trucks and Buses by Gross Vehicle Weight

G.V.W (lbs.)	1979 Number	1979 Percent	1980 Number	1980 Percent	Percent Change 1979-1980
6,000 and less	856,666	39.1	1,319,353	36.0	−35.1%
6,001-10,000	1,022,243	46.6	1,872,857	51.0	−45.4%
10,001-14,000	5,662	0.3	19,163	0.5	−70.5%
14,001-16,000	362	0.0	2,399	0.1	−84.9%
16,001-19,500	3,771	0.2	5,007	0.1	−24.7%
19,501-26,000	99,863	4.6	182,088	5.0	−45.2%
26,001-33,000	69,932	3.2	56,743	1.5	+23.2%
Over 33,000	134,752	6.1	212,171	5.8	−36.5%
Total	2,193,251	100.0	3,669,781	100.0	−40.2%

SOURCE: Motor Vehicle Manufacturers Association

U.S. Truck & Bus Production

Make	1979 Number	1979 % of Total	1980 Number	1980 % of Total	Percent Change 1979-1980
Ford	581,507	35.5%	1,032,117	33.8%	−43.7%
Chevrolet	515,038	31.5%	1,015,092	33.2%	−49.3%
Dodge	119,232	7.3%	302,994	9.9%	−60.6%
GMC	173,702	10.6%	337,381	11.1%	−48.5%
Jeep	78,891	4.8%	134,624	4.4%	−41.4%
International	67,857	4.1%	115,453	3.8%	−41.2%
Mack	23,387	1.4%	35,937	1.2%	−34.9%
AM General	8,201	0.5%	23,934	0.8%	−65.7%
Volkswagen	28,390	1.7%	2,407	0.1%	+1,179.5%
Mercedes	1,225	0.1%			
Others	38,917	2.4%	53,094	1.7%	−26.7%
Total	1,636,347	100.0	3,053,033	100.0	−46.4%

SOURCE: Ward's Automotive Reports.

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1980 Industry Highlights

- Estimated number of franchised new car dealers—26,600
- Estimated average net worth per dealer—$378,000
- Estimated total net worth of all dealers—$10.1 billion
- Estimated average number of employees per dealer—27
- Estimated total number of employees of all dealers—738,000
- Estimated average annual payroll per dealer—$386,000
- Estimated total annual payroll of all dealers—$10.6 billion
- Estimated average annual local advertising expenditures per dealer—$42,300
- Estimated total annual local advertising expenditures of all dealers—$1.2 billion
- Estimated total annual sales for all dealers—$130.3 billion
- Estimated number of new cars sold per dealer—327
- Estimated gallons of gasoline consumed per car—765
- Estimated number of truck dealers in U.S.—24,800
- New truck sales in 1979—2,487,100
- Imported truck sales in 1979—484,600
- Estimated number of trucks and buses in operation year end—33,850,000